Chicago Metropolitan Agency for Planning

233 South Wacker Drive
Suite 800
Chicago, Illinois 60606

312 454 0400
www.cmap.illinois.gov

MEMORANDUM

To: **CMAP Transportation Committee**

From: CMAP staff

Date: July 2015

Re: Options for defining regionally significant projects in the next long-range plan

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Identifying a prioritized, fiscally constrained list of capital projects is one of the primary purposes of a metropolitan planning organization's (MPO) long-range transportation plan. Since it is not practical to itemize all projects expected over a multi-decade planning horizon, MPOs typically list only projects of a certain size or type. GO TO 2040 currently defines "major capital projects" as capacity additions to the expressway system – new lanes, new interchanges between interstates, or entirely new expressways – or comparable changes to the transit system, generally meaning a rail extension. The result is a relatively small universe of candidate capital projects which are then evaluated across multiple criteria and prioritized for inclusion in the plan.

In its 2014 MPO certification review, however, the U.S. DOT recommended that the "identification of Major Capital Projects should be based on impact, not scope, of projects." For example, BRT systems may have similar service characteristics and travel benefits to rail transit, and should be included along with more traditional heavy rail and commuter rail projects. Similarly, large reconstruction projects may have regionally significant impacts even if they add little or no capacity to the network. Furthermore, a more holistic definition could also better capture true regional priorities.

This memo describes several options, to be used singly or in combination, for how to define a regionally significant project in the next long-range plan. It then briefly examines how other MPOs decide which kinds of projects should be listed in the long-range plan and concludes with some criteria to help guide the Transportation Committee's discussion.

Alternative Definitions of "Regionally Significant Project"

1. **Set threshold based on project cost.** One way to identify regionally significant projects is by their cost. For instance, a total cost of $100 million (or some other value) could be the threshold to be identified in the regional plan. This approach has the virtue of simplicity, clarity, and information availability. On the other hand, it does not pick up

certain nuances. For instance, a large project implemented incrementally would not be captured well, such as a series of intersection improvements and lane additions that amount to a large corridor improvement. A cost threshold is also likely to be somewhat arbitrary. Finally, the cost approach may not fully address U.S. DOT's concern in the certification review, since cost is an imperfect proxy for impact.

2. **Base project significance on corridor significance.** Another way to handle the issue is to automatically consider a project regionally significant if it affects certain corridors or is part of a certain network. For instance, a project on the CMAP Congestion Management Process network could automatically be considered a regionally significant project. One advantage of this approach is that a regionally significant highway network already has been defined (the **Congestion Management Process network**), and this also ties into MPOs' responsibility for the congestion management process. On the other hand, there is no accepted definition of a regionally significant transit network as of yet. Another drawback is that even small projects may need to be listed in the plan if they affect a regionally significant corridor, although supplementing this definition with a cost threshold or type of work could address the problem.

3. **Identify regionally significant projects from their work types.** A different approach would base the definition on the work type(s) associated with the project. In other words, projects that include adding lanes or new transit service, for instance, might need to be listed in the regional plan. Practically speaking, the **list of work types** that are included in an air quality conformity analysis could be used as a starting point for determining regional significance, although certain non-capacity projects would presumably be added to the list. One issue with this approach is that it would capture relatively many more and smaller projects. Therefore, it is likely to be effective only if coupled with other thresholds.

4. **Set threshold based on anticipated effects.** The threshold for regional significance could also be based on a project's expected performance or its effect on sensitive areas (based for example on environmental justice or natural resource sensitivity). In that case, a project with an expected change in vehicle miles traveled or ridership above a certain level, or perhaps close proximity to important natural resources, would need to be listed in the plan. While more of a departure from current practice, this approach gets squarely at the issue of a proposed project's impact and its regional significance. On the other hand, it requires defining multiple performance measures and thresholds, likely tailored by mode. Implementers may not have resources to determine whether or not their proposals would be candidates. Lastly, using performance criteria to define the universe of potential capital projects – in addition to evaluating and prioritizing these projects – may confuse stakeholders and in fact presuppose the project evaluation and prioritization process.

5. **Set threshold based on NEPA status.** Another way to capture the expected impacts of candidate projects more directly is to tie the projects considered in metropolitan planning to the requirements of the National Environmental Policy Act (NEPA). If a project would require an Environmental Impact Statement (EIS) or Environmental

Assessment (EA), then it would need to be listed in the plan. A positive aspect of this approach is that metropolitan planning could then inform preparation of the elements required under NEPA, such as the purpose and need statement, potentially speeding them along during project development. On the other hand, certain high dollar-value projects that might be thought of as regionally significant – such as major reconstruction/rehabilitation projects – probably would not be captured under this definition because they may qualify as Categorical Exclusions (CE) under NEPA. Furthermore, whether or not a project needs an EA/EIS may not have been determined by the time it is to be considered for inclusion in the plan. Also, Tollway projects or privately-financed projects would need to be treated as if they would be subject to NEPA.

Other MPOs' Approaches

Given the latitude regions have to define the projects they itemize in their long-range plans, peer MPOs have chosen a number of different approaches. No MPOs have been found to use a definition like that in alternatives 4 and 5 above, but many use variations on the first three options. The San Francisco Bay Area MPO (Metropolitan Transportation Commission, or MTC) has a cost threshold for a "major capital project" of essentially $50 million. This leads to an extensive **list of projects** included in Plan Bay Area (more than 700 projects as of June 2015), far larger than the universe of major capital projects considered in GO TO 2040.

The Seattle MPO (Puget Sound Regional Council, or PSRC) uses **work types** in combination with an identification of regionally-significant highways, transit, ferry, and bicycle/pedestrian systems identified in the **Metropolitan Transportation System** to determine whether a project is required to be on the Regional Capacity Projects List. Projects on this list include grade separations, new interchanges, off-street bicycle paths on dedicated right of way, larger park and ride lots, etc. For highway projects, the list is limited to certain facilities based mostly on functional classification. In some instances, PSRC relies on a combination of quantitative thresholds and work types (e.g., ITS improvements of more than $100 million) to determine whether listing is needed.

The Atlanta MPO (Atlanta Regional Council, or ARC) also includes a more **extensive constrained project list** than GO TO 2040. These projects are also grouped into three periods: near-term TIP (2014-2019), mid-term (2020-2030), and long-term (2031-2040); projects in the latter two time periods are assigned a midpoint year (i.e., 2025 or 2035) for construction in determining cost estimates. Thus, ARC also provides a practical example of how to structure a plan that includes a larger number of projects.

Concluding Thoughts

Any threshold should be simple to communicate, relatively easy to implement, and enjoy broad consensus as a reasonable approach. It also should reflect the policy purpose of the fiscal constraint requirement, which is meant to help set priorities. It should of course address the

findings of the certification review. Lastly, the project threshold discussion should bear in mind the expected frequency of plan amendments.

Staff hopes to use the feedback from the July 2015 Transportation Committee meeting to develop a recommendation on defining regionally significant projects for the September 2015 meeting. If needed, however, staff can provide additional research for discussion in September to inform a recommendation later in the fall.

Action requested: Discussion